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Financing of the activities arising from Security Council resolution 687 (1991): United Nations Iraq-Kuwait Observation Mission

Report of the Secretary-General

Summary

The present report is submitted pursuant to General Assembly resolution 51/234 of 13 June 1997, in which the Assembly requested the Secretary-General to continue his efforts to recover the overpayment of mission subsistence allowance at the United Nations Iraq-Kuwait Observation Mission and to report to it at its fifty-second session on the results of action taken for its recovery, including measures taken with respect to those responsible for the overpayment. Of the total overpayment of $6,312,201.53 ($851,093.50 in respect of staff and $5,461,108.03 in respect of military observers), an amount of $751,275.55 had been recovered as at 31 December 1997, and the balance of $5,560,925.98 remains outstanding.

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Summary of mission subsistence allowance overpayment 6

I. Introduction

1. The present report is submitted pursuant to General Assembly resolution 51/234 of 13 June 1997, in which it requested the Secretary-General to continue his efforts to recover the overpayment of mission subsistence allowance, which was initially estimated at $988,443.50, and to report to the Assembly at its fifty-second session on the results of action taken for its recovery, including measures taken with respect to those responsible for the overpayment.

2. The present report provides updated information on the amount of the overpayment and actions taken for its recovery.

II. Overpayment of mission subsistence allowance

3. Following the consideration of the report o the Office of Internal Oversight Services for the period from 1 July 1995 to 30 June 1996 (A/51/432, annex), the General Assembly, in paragraph (d) of its decision 51/440 of 16 December 1996, requested the Secretary-General to take immediate action to recover the overpayment relating to mission subsistence allowance in the United Nations Iraq-Kuwait Observation Mission (UNIKOM) and to report to it no later than 31 May 1997 on the results of the actions taken for its recovery, as well as on the comprehensive review of the policies of the Organization in respect of compensatory time off and mission subsistence allowance. The report dealing with the comprehensive review of the policies of the Organization in respect of compensatory time off and mission subsistence allowance was submitted to the Assembly at its resumed fifty-first session (A/51/658/Add.3).

4. In paragraph 9 of the report of the Advisory Committee on Administrative and Budgetary Questions on the financing of UNIKOM for the period from 1 July 1997 to 30 June 1998 (A/51/683/Add.1), it was indicated that according to information provided by the Secretariat, the total amount to be recovered was estimated at $988,443.50, consisting of $647,041.50 from 143 staff members at Headquarters, $72,067.50 from 19 staff members who had separated from the Organization, $148,154.50 from 34 staff members serving at offices away from Headquarters and $121,180 from military observers.

5. The initial estimate of the overpayment of mission subsistence allowance to UNIKOM personnel included staff on Headquarters payroll, staff separated from the Organization, staff serving at offices away from Headquarters and military observers serving with UNIKOM at the time of the calculation of the overpayment. The estimate did not include those military observers who had served in UNIKOM during the period of the overpayment but had since departed from the mission.

6. The subsequent review indicates that the total overpayment amounted to $6,312,201.53, as follows: $624,191.50 to 137 staff members at Headquarters, $148,154.50 to 34 staff members serving at offices away from Headquarters, $78,747.50 to 21 staff members who have separated from the Organization and $5,461,108.03 to 1,356 military observers. The bulk of the revised overpayment relates to military observers who were no longer serving with UNIKOM at the time of the initial estimate.

7. It is recalled that the General Assembly, in its resolution 51/234, expressed its continued appreciation for the decision of the Government of Kuwait to defray two thirds of the cost of UNIKOM, effective 1 November 1993. In this connection, of the total estimated overpayment of $6,312,201.53, an amount of $3,504,802.75 relates to the period beginning 1 November 1993.

8. The annex to the present report provides a summary of the mission subsistence allowance overpayment as well as amounts recovered thus far and the balance to be recovered.

III. Actions taken for recovery of mission subsistence allowance overpayment

9. A total of $751,275.55 had been recovered as at 31 December 1997, and the balance of $5,560,925.98 remains outstanding.

10. With regard to the overpayment of $624,191.50 to staff members on Headquarters payroll, which includes an amount of $4,372.50 in respect of two staff members who are now deceased, an amount of $546,058.86 has been recovered and a balance of $78,132.64 remains outstanding.

11. The phased period of recovery of the overpayment from the 135 staff members on Headquarters payroll is based on the following:

    (a) For staff on permanent contracts, recovery would be approximately 15 per cent of the staff member's net salary per month;

    (b) For staff on fixed-term contracts, recovery would occur within the period remaining in the contract.

12. Three staff members have appealed the recovery of the mission subsistence allowance overpayment to the United Nations Administrative Tribunal. The applicants have requested an order to rescind the recovery of the overpayments and to return to them the amounts recovered. Alternatively, the applicants have requested that should the Administrative Tribunal find that the mission subsistence allowance overpayments are recoverable, the recovery should be limited to the last two years of overpayment. The administration is defending against the appeal.

13. With regard to the 34 staff members serving at offices away from Headquarters, of the total overpayment of $148,154.50, an amount of $81,263.19 has been recovered. The balance of $66,891.31 remains outstanding. The method of recovery described in paragraph 11 above was also applied to those staff members.

14. Letters requesting refund of the overpayment were also sent to the 21 staff members who had separated from the Organization. From the overpayment of $78,747.50 attributable to the group, an amount of $1,380 has been repaid by two former staff members, leaving a balance of $77,367.50.

15. The revised overpayment to military observers totalling $5,461,108.03 included an amount of $118,137.50 related to those observers who were still in the mission area when the overpayment was detected. This latter amount was fully recovered. In addition, an amount of $4,436 was recovered from three military observers who rejoined UNIKOM on a second tour of duty. The total amount recovered from military observers is $122,573.50.

16. Notification letters were sent, through the respective permanent mission in New York, to each of the other military observers who had departed from UNIKOM when the overpayment was detected. In this regard, two responses have been received. In one, the Ministry of Defence of a Member State has recommended to its military observers that they refrain from refunding the overpayment. The matter has been referred to the Office of Legal Affairs for review. In the second response, the military observer has indicated that the matter has been referred to his Government's Ministry of Defence for verification.

17. Updated information on the recovery of the overpayment of mission subsistence allowance will be included in subsequent reports of the Secretary-General on the financing of UNIKOM.

IV. Measures taken with respect to those responsible for the overpayment

18. A formal inquiry has been instituted and is under way in order to establish the circumstances of the overpayment of mission subsistence allowance. The measures to be taken will be based on the conclusions of the inquiry.

19. To prevent a recurrence of the problem, the policy related to the payment of mission subsistence allowance has been revised and simplified. A new administrative instruction, which defines the conditions governing mission subsistence allowance, was issued on 20 October 1997 (ST/AI/1997/6), and came into force on 1 November 1997.

Annex
Summary of mission subsistence allowance overpayment

Category	Initial calculation as reported: Number of staff (1)	Initial calculation as reported: Overpayment (United States dollars) (2)	Revised calculation: Number of staff (3)	Revised calculation: Overpayment (United States dollars) (4)	Amount recovered as at 31 December 1997 (United States dollars) (5)	Balance (United States dollars) (6) (4)-(5)
Civilian staff						
On United Nations Headquarters payroll	143	647 041.50	137	624 191.50[a]	546 058.86	78 132.64
Serving at offices away from Headquarters	34	148 154.50	34	148 154.50	81 263.19	66 891.31
Separated from the Organization	19	72 067.50	21	78 747.50	1 380.00	77 367.50
Total		**867 263.50**		**851 093.50**	**628 702.05**	**222 391.45**
Military observers	**158**	**121 180.00**	**1 356**	**5 461 108.03**	**122 573.50**	**5 338 534.53**
Grand total		**988 443.50**		**6 312 201.53**	**751 275.55**	**5 560 925.98**

[a] Includes an amount of $4,372.50 related to two deceased staff.

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Report of the Secretary-General

Addendum

Summary

The present report contains the financial performance report of the United Nations Iraq-Kuwait Observation Mission (UNIKOM) for the period from 1 July 1996 to 30 June 1997. The total resources provided for the period amounted to $52,141,900 gross ($50,071,000 net) while the related expenditures amounted to $48,014,300 gross ($46,318,300 net). This resulted in an unencumbered balance of $4,127,600 gross ($3,752,700 net).

The unencumbered balance was due primarily to lower than estimated requirements under mission subsistence allowance for military observers, lower cost for emplacement, rotation and repatriation of troops through charter arrangements, higher than projected vacancy rates for civilian staff, cancellation of some of the projects under premises and accommodation and reduced requirements for transport operations and supplies and services as a result of economy measures implemented by UNIKOM.

The action to be taken by the General Assembly, as contained in paragraph 11 of the present report, is a decision to credit Member States their respective share in the unencumbered balance of $4,127,600 gross ($3,752,700 net) for the period from 1 July 1996 to 30 June 1997.

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I. Introduction

1. The United Nations Iraq-Kuwait Observation Mission (UNIKOM) was initially established by the Security Council in accordance with its resolution 687 (1991) of 3 April 1991. In its resolution 689 (1991) of 9 April 1991, the Council decided to review the question of the termination or continuation of UNIKOM as well as its modalities of operation every six months. The latest review was on 6 October 1997 and the President of the Security Council informed the Secretary-General that the Council concurred with the recommendation to maintain UNIKOM until the next review by 4 April 1998 (S/1997/773).

2. For the maintenance of UNIKOM for the period from 1 July 1996 to 30 June 1997, the General Assembly, in its resolution 50/234 of 7 June 1996, appropriated $52,141,900 gross ($50,071,000 net), of which a two-thirds share, equivalent to $33,380,667 (net), would be funded from the voluntary contributions from the Government of Kuwait. In the same resolution, the Assembly decided to apportion the amount of $18,761,233 gross ($16,690,333 net), representing one third of the cost of the maintenance of the Mission, to be assessed on Member States at the monthly rate of $1,563,436 gross ($1,390,861 net), subject to the review by the Security Council with regard to the question of termination or continuation of UNIKOM.

3. The original budget estimate for the period from 1 July 1996 to 30 June 1997 was based on a force strength of 255 military observers with 904 troops (775 infantry and 129 support personnel) and 256 (82 international and 174 local) civilian personnel.

4. In this regard, it should be noted that in his report to the Security Council of 1 April 1996 (S/1996/225), the Secretary-General stated that in the interest of economy and efficiency, the number of military observers would be reduced by about 50, from the 245 on board at that time to 195.

5. During its consideration of the report of the Secretary-General on the financing of UNIKOM, the Advisory Committee on Administrative and Budgetary Questions was provided with information on the phased reduction in the number of military observers, including the impact of the reduction on support and services to the Mission and taking into account the revised rates of mission subsistence allowance. The related reduction to the estimates, excluding provision for support account for peacekeeping operations, amounted to $7,059,000 gross ($6,792,500 net), including reductions in the number of military observers from 245 to 195, international staff from 82 to 71 (13 Professional, 19 General Service and 39 Field Service) and local staff from 174 to 170, as well as related reductions in transport operations and contractual services. The consequential revised estimates, by budget line item, were reproduced as an annex to the related report of the Advisory Committee (A/50/950).

II. Financial performance report for the period from 1 July 1996 to 30 June 1997

6. Annex I to the present report sets out in column 1 the original budget estimates for UNIKOM by budget line item for the period from 1 July 1996 to 30 June 1997, as contained in annex I to the report of the Secretary-General of 15 March 1996 (A/50/892). Column 2 indicates the resources provided to UNIKOM by General Assembly resolution 50/234 of 7 June 1996 on the basis of the revised estimates shown in the annex to the report of the Advisory Committee of 3 May 1996 (A/50/950). Non-recurrent and recurrent expenditures are shown in columns 3 and 4, respectively, and total expenditures are provided in column 5. Unliquidated obligations are reflected in column 6. Variances between the apportioned resources and recorded expenditures are set out in column 7. Supplementary information in respect of the expenditures is provided in annex II.

7. The revised and actual deployment of civilian and military personnel for the reporting period is contained in annex III. Annex IV provides the authorized staffing, incumbency and vacancy rates for military and civilian personnel for the reporting period.

8. As shown in annex I, column 2, the total resources made available to UNIKOM for the period from 1 July 1996 to 30 June 1997 amounted to $52,141,900 gross ($50,071,000 net). Expenditures recorded during the period (column 5) were $48,014,300 gross ($46,318,300 net), resulting in an unencumbered balance of $4,127,600 gross ($3,752,700 net). The expenditures include the UNIKOM share in the ad hoc financing of the United Nations Logistics Base at Brindisi in the amount of $408,500, as well as certain expenditures pertaining to the prior financial period ending 30 June 1996 totalling $537,385, as described in table 1.

Table 1 **Expenditures for the period ending 30 June 1996**
(United States dollars)

Description	*Amount*
Military observers	
Travel costs	33 000
Military contingents	
Emplacement, rotation and repatriation of troops	1 000
International and local staff	
Common staff costs	1 776
Transport operations	
Workshop equipment	916
Spare parts, repairs and maintenance	154 300
Petrol, oil and lubricants	160 000
Air operations	
Fixed-wing aircraft	
Hire/charter costs	88 061
Communications	
Communications equipment	640
Other equipment	
Data-processing equipment	21 790
Supplies and services	
Quartermaster and general stores	71 402
Air and surface freight	4 500
Total	**537 385**

9. Savings were achieved under all major line items as follows: military personnel costs ($1,142,700), civilian personnel costs ($1,440,000), premises/accommodation ($357,800), infrastructure repairs ($17,900), transport operations ($397,800), air operations ($38,500), communications ($24,900), other equipment ($127,000), supplies and services ($545,100), mine-clearing programmes ($65,000), air and surface freight ($4,500) and staff assessment ($374,900).

10. The above unutilized resources were due primarily to actual lower than estimated requirements under mission subsistence allowance for military observers, lower cost for emplacement, rotation and repatriation of troops through charter arrangements and higher than projected vacancy rates for civilian staff. Savings under other headings were due to cancellation of some premises and accommodation projects, lower transport operations and supplies and services requirements as a result of economy measures implemented by UNIKOM.

III. Action to be taken by the General Assembly at its fifty-second session

11. The action to be taken by the General Assembly at its fifty-second session in connection with the financing of UNIKOM is a decision to credit Member States their respective share in the unencumbered balance of $4,127,600 gross ($3,752,700 net) for the period from 1 July 1996 to 30 June 1997.

Annex I
Financial performance report for the period from 1 July 1996 to 30 June 1997

(Thousands of United States dollars)

	Original cost estimates (1)	Apportionment (2)	Non-recurrent expenditures (3)	Recurrent expenditures (4)	Total expenditures (5) = (3) + (4)	Unliquidated obligations (6)	Variances (7) = (2)-(5)
1. Military personnel costs							
(a) Military observers							
Mission subsistence allowance	10 780.6	6 825.6	—	6 380.3	6 380.3	—	445.3
Travel costs	1 020.0	880.0	—	756.0	756.0	364.2	124.0
Clothing and equipment allowance	51.0	41.3	—	40.3	40.3	—	1.0
Subtotal	**11 851.6**	**7 746.9**	**—**	**7 176.6**	**7 176.6**	**364.2**	**570.3**
(b) Military contingents							
Standard troop cost reimbursement	11 164.7	11 164.7	—	11 164.7	11 164.7	8 477.2	—
Welfare	176.3	176.3	—	216.8	216.8	1.0	(40.5)
Rations	2 637.4	2 607.4	—	2 350.7	2 350.7	805.4	256.7
Daily allowance	424.5	424.5	—	406.9	406.9	—	17.6
Mission subsistence allowance	—	—	—	—	—	—	—
Emplacement, rotation and repatriation of troops	1 446.2	1 446.2	—	1 107.6	1 107.6	772.6	338.6
Clothing and equipment allowance	762.9	762.9	—	762.9	762.9	578.9	—
Subtotal	**16 612.0**	**16 582.0**	**—**	**16 009.6**	**16 009.6**	**10 635.1**	**572.4**
(c) Other costs pertaining to military personnel							
Contingent-owned equipment	1 675.0	1 675.0	—	1 675.0	1 675.0	1 308.8	—
Death and disability compensation	320.0	320.0	—	320.0	320.0	270.0	—
Subtotal	**1 995.0**	**1 995.0**	**—**	**1 995.0**	**1 995.0**	**1 578.8**	**—**
Total, line 1	**30 458.6**	**26 323.9**	**—**	**25 181.2**	**25 181.2**	**12 578.1**	**1 142.7**
2. Civilian personnel costs							
(a) Civilian police							
Mission subsistence allowance	—	—	—	—	—	—	—
Travel costs	—	—	—	—	—	—	—
Clothing and equipment allowance	—	—	—	—	—	—	—
Subtotal	**—**	**—**	**—**	**—**	**—**	**—**	**—**
(b) International and local staff							
International staff salaries	4 280.0	3 549.6	—	3 356.9	3 356.9	33.5	192.7
Local staff salaries	3 525.4	3 646.4	—	2 997.3	2 997.3	—	649.1
Consultants	—	—	—	—	—	—	—
Overtime	—	—	—	—	—	—	—
General temporary assistance	—	—	—	—	—	—	—
Common staff costs	4 160.7	3 603.1	—	3 399.2	3 399.2	35.8	203.9
Mission subsistence allowance	2 941.7	2 141.4	—	1 743.2	1 743.2	—	398.2

	Original cost estimates (1)	Apportionment (2)	Non-recurrent expenditures (3)	Recurrent expenditures (4)	Total expenditures (5) = (3) + (4)	Unliquidated obligations (6)	Variances (7) = (2)-(5)
Travel to and from the mission area	—	—	—	—	—	—	—
Other travel costs	45.5	45.5	—	49.4	49.4	6.2	(3.9)
Subtotal	**14 953.3**	**12 986.0**	**—**	**11 546.0**	**11 546.0**	**75.5**	**1 440.0**
(c) *International contractual personnel*	—	—	—	—	—	—	—
(d) *United Nations Volunteers*							
Mission subsistence allowance	—	—	—	—	—	—	—
Individual service contract	—	—	—	—	—	—	—
Subtotal	**—**	**—**	**—**	**—**	**—**	**—**	**—**
(e) *Government-provided personnel*							
Mission subsistence allowance	—	—	—	—	—	—	—
Travel costs	—	—	—	—	—	—	—
Subtotal	**—**	**—**	**—**	**—**	**—**	**—**	**—**
(f) *Civilian electoral observers*							
Mission subsistence allowance	—	—	—	—	—	—	—
Travel costs	—	—	—	—	—	—	—
Subtotal	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Total, line 2	**14 953.3**	**12 986.0**	**—**	**11 546.0**	**11 546.0**	**75.5**	**1 440.0**
3. Premises/accommodation							
Rental of premises	—	—	—	—	—	—	—
Alteration and renovation of premises	300.0	300.0	165.1	—	165.1	108.4	134.9
Maintenance supplies	170.0	170.0	—	188.5	188.5	91.9	(18.5)
Maintenance services	165.6	165.6	—	172.1	172.1	66.8	(6.5)
Utilities	207.4	207.4	—	176.5	176.5	36.3	30.9
Construction/prefabricated buildings	326.0	326.0	109.0	—	109.0	86.1	217.0
Total, line 3	**1 169.0**	**1 169.0**	**274.1**	**537.1**	**811.2**	**389.5**	**357.8**
4. Infrastructure repairs							
Upgrading of airstrips	—	—	—	—	—	—	—
Upgrading of roads	70.0	70.0	—	52.1	52.1	36.0	17.9
Repair of bridges	—	—	—	—	—	—	—
Total, line 4	70.0	70.0	—	52.1	52.1	36.0	17.9
5. Transport operations							
Purchase of vehicles	628.0	214.0	66.0	—	66.0	66.0	148.0
Rental of vehicles	—	—	—	—	—	—	—
Workshop equipment	44.5	44.5	41.8	—	41.8	21.9	2.7
Spare parts, repairs and maintenance	1 191.3	1 042.7	—	918.9	918.9	311.1	123.8
Petrol, oil and lubricants	835.5	750.6	—	637.9	637.9	294.3	112.7
Vehicle insurance	190.0	167.9	—	157.3	157.3	16.5	10.6
Total, line 5	**2 889.3**	**2 219.7**	**107.8**	**1 714.1**	**1 821.9**	**709.8**	**397.8**
6. Air operations							
(a) *Helicopter operations*							
Hire/charter costs	1 766.9	1 766.9	—	1 985.2	1 985.2	1 687.6	(218.3)

	Original cost estimates (1)	Apportionment (2)	Non-recurrent expenditures (3)	Recurrent expenditures (4)	Total expenditures (5) = (3) + (4)	Unliquidated obligations (6)	Variances (7) = (2)-(5)
Aviation fuel and lubricants	203.7	203.7	—	192.3	192.3	32.0	11.4
Positioning/depositioning costs	—	—	—	—	—	—	—
Resupply flights	—	—	—	—	—	—	—
Painting/preparation	—	—	—	—	—	—	—
Liability and war-risk insurance	4.0	4.0	—	4.4	4.4	—	(0.4)
Subtotal	**1 974.6**	**1 974.6**	**—**	**2 181.9**	**2 181.9**	**1 719.6**	**(207.3)**
(b) Fixed-wing aircraft							
Hire/charter costs	482.2	482.2	—	429.4	429.4	99.5	52.8
Aviation fuel and lubricants	339.5	339.5	—	207.6	207.6	31.2	131.9
Positioning/depositioning costs	5.0	5.0	—	—	—	—	5.0
Painting/preparation	2.0	2.0	—	—	—	—	2.0
Resupply flights	—	—	—	—	—	—	—
Liability and war-risk insurance	—	—	—	1.0	1.0	—	(1.0)
Subtotal	**828.7**	**828.7**	**—**	**638.0**	**638.0**	**130.7**	**190.7**
(c) Aircrew subsistence allowance	58.8	58.8	—	8.9	8.9	—	49.9
(d) Other air operation costs							
Air traffic control services and equipment	—	—	—	—	—	—	—
Landing fees and ground handling	44.4	44.4	—	39.2	39.2	—	5.2
Fuel storage and containers	—	—	—	—	—	—	—
Subtotal	**44.4**	**44.4**	**—**	**39.2**	**39.2**	**—**	**5.2**
Total, line 6	**2 906.5**	**2 906.5**	**—**	**2 868.0**	**2 868.0**	**1 850.3**	**38.5**
7. Naval operations	**—**	**—**	**—**	**—**	**—**	**—**	**—**
8. Communications							
(a) Complementary communications							
Communications equipment	166.2	166.2	242.6	—	242.6	231.1	(76.4)
Spare parts and supplies	131.0	131.0	—	106.8	106.8	97.0	24.2
Workshop and test equipment	57.0	57.0	52.8	—	52.8	36.2	4.2
Commercial communications	253.6	253.6	—	180.7	180.7	87.8	72.9
Subtotal	**607.8**	**607.8**	**295.4**	**287.5**	**582.9**	**452.1**	**24.9**
(b) Main trunking contract	—	—	—	—	—	—	—
Total, line 8	**607.8**	**607.8**	**295.4**	**287.5**	**582.9**	**452.1**	**24.9**
9. Other equipment							
Office furniture	24.4	24.4	9.4	—	9.4	8.2	15.0
Office equipment	18.0	18.0	12.8	—	12.8	8.2	5.2
Data-processing equipment	60.0	60.0	78.8	—	78.8	53.2	(18.8)
Generators	—	—	—	—	—	—	—
Observation equipment	47.0	47.0	5.8	—	5.8	5.8	41.2
Petrol tank plus metering equipment	—	—	—	—	—	—	—
Water and septic tanks	60.0	60.0	—	—	—	—	60.0
Medical and dental equipment	40.7	40.7	4.4	—	4.4	4.3	36.3
Accommodation equipment	45.0	45.0	1.5	—	1.5	—	43.5
Refrigeration equipment	2.0	2.0	1.7	—	1.7	1.7	0.3

	Original cost estimates (1)	Apportionment (2)	Non-recurrent expenditures (3)	Recurrent expenditures (4)	Total expenditures (5) = (3) + (4)	Unliquidated obligations (6)	Variances (7) = (2)-(5)
Miscellaneous equipment	48.0	48.0	51.7	—	51.7	29.1	(3.7)
Field defence equipment	—	—	—	—	—	—	—
Spare parts, repairs and maintenance	250.0	250.0	149.4	—	149.4	99.1	100.6
Water-purification equipment	50.0	50.0	202.6	—	202.6	202.5	(152.6)
Total, line 9	**645.1**	**645.1**	**518.1**	**—**	**518.1**	**412.1**	**127.0**
10. Supplies and services							
(a) Miscellaneous services							
Audit services	183.4	183.4	—	183.4	183.4	183.4	—
Contractual services	670.0	649.1	—	370.7	370.7	96.1	278.4
Data-processing services	—	—	—	—	—	—	—
Security services	—	—	—	—	—	—	—
Medical treatment and services	18.0	18.0	—	0.1	0.1	—	17.9
Claims and adjustments	70.0	70.0	—	—	—	—	70.0
Official hospitality	15.0	15.0	—	1.9	1.9	—	13.1
Miscellaneous other services	80.0	80.0	—	23.4	23.4	3.8	56.6
Subtotal	**1 036.4**	**1 015.5**	**—**	**579.5**	**579.5**	**283.3**	**436.0**
(b) Miscellaneous supplies							
Stationery and office supplies	80.0	80.0	—	75.3	75.3	35.5	4.7
Medical supplies	45.0	45.0	—	20.0	20.0	18.2	25.0
Sanitation and cleaning materials	50.0	50.0	—	44.3	44.3	16.9	5.7
Subscriptions	20.0	20.0	—	24.9	24.9	8.9	(4.9)
Electrical supplies	100.0	100.0	—	104.9	104.9	39.6	(4.9)
Ballistic-protective blankets for vehicles	—	—	—	—	—	—	—
Uniform items, flags and decals	80.0	80.0	—	34.1	34.1	32.6	45.9
Field defence stores	56.0	56.0	—	25.1	25.1	19.3	30.9
Operational maps	5.0	5.0	—	4.5	4.5	—	0.5
Quartermaster and general stores	130.0	130.0	—	123.8	123.8	71.6	6.2
Subtotal	**566.0**	**566.0**	**—**	**456.9**	**456.9**	**242.6**	**109.1**
Total, line 10	**1 602.4**	**1 581.5**	**—**	**1 036.4**	**1 036.4**	**525.9**	**545.1**
11. Election-related supplies and services	—	—	—	—	—	—	—
12. Public information programmes	—	—	—	—	—	—	—
13. Training programmes	—	—	—	—	—	—	—
14. Mine-clearing programmes							
(a) Acquisition of equipment							
Mine-clearing equipment	—	—	—	—	—	—	—
Miscellaneous equipment	—	—	—	—	—	—	—
Subtotal	**—**	**—**	**—**	**—**	**—**	**—**	**—**
(b) Supplies, services and operating costs							
Wages and food supplement	—	—	—	—	—	—	—

	Original cost estimates (1)	Apportionment (2)	Non-recurrent expenditures (3)	Recurrent expenditures (4)	Total expenditures (5) = (3) + (4)	Unliquidated obligations (6)	Variances (7) = (2)-(5)
Miscellaneous services	—	—	—	—	—	—	—
Miscellaneous supplies	65.0	65.0	—	—	—	—	65.0
Subtotal	**65.0**	**65.0**	**—**	**—**	**—**	**—**	**65.0**
Total, line 14	**65.0**	**65.0**	**—**	**—**	**—**	**—**	**65.0**
15. Assistance for disarmament and demobilization	**—**	**—**	**—**	**—**	**—**	**—**	**—**
16. Air and surface freight							
Transport of contingent-owned equipment	—	—	—	—	—	—	—
Military airlifts	—	—	—	—	—	—	—
Commercial freight and cartage	100.0	100.0	—	95.5	95.5	37.3	4.5
Total, line 16	**100.0**	**100.0**	**—**	**95.5**	**95.5**	**37.3**	**4.5**
17. United Nations Logistics Base, Brindisi	**—**	**—**	**—**	**408.5**	**408.5**	**—**	**(408.5)**
18. Support account for peacekeeping operations	**—**	**1 396.5**	**1 396.5**	**—**	**1 396.5**	**—**	**—**
19. Staff assessment							
Staff assessment, international staff	1 207.4	1 069.7	—	876.3	876.3	—	—
Staff assessment, local staff	1 130.0	1 001.2	—	819.7	819.7	—	—
Total, line 19	**2 337.4**	**2 070.9**	**—**	**1 696.0**	**1 696.0**	**—**	**374.9**
Total, lines 1-19	**57 804.4**	**52 141.9**	**2 591.9**	**45 422.4**	**48 014.3**	**17 066.6**	**4 127.6**
20. Income from staff assessment	**(2 337.4)**	**(2 070.9)**	**—**	**(1 696.0)**	**(1 696.0)**	**—**	**(374.9)**
21. Voluntary contributions in kind (budgeted)	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Total, lines 20-21	**(2 337.4)**	**(2 070.9)**	**—**	**(1 696.0)**	**(1 696.0)**	**—**	**(374.9)**
Gross requirements	57 804.4	52 141.9	2 591.9	45 422.4	48 014.3	—	4 127.6
Net requirements	55 467.0	50 071.0	2 591.9	43 726.4	46 318.3	17 066.6	3 752.7
22. Voluntary contributions in kind (non-budgeted)	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Total resources	**55 467.0**	**50 071.0**	**2 591.9**	**43 726.4**	**46 318.3**	**17 066.6**	**3 752.7**

Annex II
Financial performance report for the period from 1 July 1996 to 30 June 1997: supplementary information

A. Detailed variances in requirements and costs

Description	Apportionment: Number of units	Apportionment: Unit/daily/monthly/annual cost (United States dollars)	Actual: Number of units	Actual: Unit/daily/monthly/annual cost (United States dollars)	Explanation	Supplementary explanation (para. numbers in sect. B)
1. Military personnel costs						
(a) Military observers						
Average strength	245		203		Phased reduction from 245 to 195 by the end of April 1997.	1
Mission subsistence allowance		6 825 600		6 380 300		1
Travel costs						2
Rotation trips						
Repatriation trips	245		223			
Emplacement trips	195		199			
Travel costs		880 000		756 000	Lower number of trips undertaken.	
Clothing and equipment allowance		41 300		40 300		3
(b) Military contingents						
Average strength	904		904			
Standard troop cost reimbursement		11 164 700		11 164 700	No change.	
Welfare		176 300		216 800	Cost of postage.	5
Rations		2 607 400		2 350 700	Lower consumption of rations.	6
Daily allowance		424 500		406 900		7
Emplacement, rotation and repatriation of troops		1 446 200		1 107 600	Use of a favourable charter contract by the largest contingent battalion.	8
Clothing and equipment allowance		762 900		762 900	No change.	
(c) Other costs pertaining to military personnel						
Contingent-owned equipment		1 675 000		1 675 000	No change.	
Death and disability compensation		320 000		320 000	No change.	

Description	Apportionment: Number of units	Apportionment: Unit/daily/monthly/annual cost (United States dollars)	Actual: Number of units	Actual: Unit/daily/monthly/annual cost (United States dollars)	Explanation	Supplementary explanation (para. numbers in sect. B)
2. Civilian personnel costs						
(a) Civilian police						
(b) International and local staff						
Average strength						
International staff	71		57			
Local staff	170		139			
International staff salaries		3 549 600		3 356 900	Higher average vacancy rate of 20 per cent than the 5 per cent applied in the estimate.	12
Local staff salaries		3 646 400		2 997 300	Higher average vacancy rate of 18 per cent than the 15 per cent applied in the estimate.	12
Common staff costs		3 603 100		3 399 200	An average 20 per cent vacancy rate in international staff and 18 per cent vacancy in local staff.	18
Mission subsistence allowance		2 141 400		1 743 200	Deduction of mission subsistence allowance owing to leave days taken.	19
Other travel costs		45 500		49 400	More than estimated travel undertaken.	20
(c) International contractual personnel		—		—		
(d) United Nations Volunteers		—		—		
(e) Government-provided personnel		—		—		
(f) Civilian electoral observers		—		—		
3. Premises/accommodation						
Rental of premises						
Alteration and renovation of premises		300 000		165 100	Cancellation and reduced scale of renovation and alteration of some of the forecasted projects.	22
Maintenance supplies		170 000		188 500	Increased procurement of maintenance supplies.	23
Maintenance services		165 600		172 100	Additional requirements owing to the construction of a new observation post.	24
Utilities		207 400		176 500	Lower than estimated electricity costs and cost of water delivery.	25
Construction/prefabricated buildings		326 000		109 000	Cancellation of some projects.	26
4. Infrastructure repairs						
Upgrading of airstrips		—		—		

Description	Apportionment: Number of units	Apportionment: Unit/daily/monthly/annual cost (United States dollars)	Actual: Number of units	Actual: Unit/daily/monthly/annual cost (United States dollars)	Explanation	Supplementary explanation (para. numbers in sect. B)
Upgrading of roads		70 000		52 100	Owing to the pavement of roads at a lower cost.	27
Repair of bridges		—		—		
5. Transport operations						
Purchase of vehicles		214 000		66 000	Delayed administrative action in procurement.	28
Rental of vehicles		—		—		
Workshop equipment		44 500		41 800		29
Spare parts, repairs and maintenance		1 042 700		918 900	Delayed administrative action in procurement.	30
Petrol, oil and lubricants		750 600		637 900	Actual lower consumption and cost per litre.	31
Vehicle insurance		167 900		157 300		32
6. Air operations						
(a) Helicopter operations						
Hire/charter costs		1 766 900		1 985 200	Owing to the increased hourly rate on the renewal of the letter-of-assist arrangement effective 14 September 1996.	33
Aviation fuel and lubricants		203 700		192 300	Lower than estimated flying hours.	34
Positioning/depositioning costs		—		—		
Resupply flights		—		—		
Painting/preparation		—		—		
Liability and war-risk insurance		4 000		4 400		35
(b) Fixed-wing aircraft						
Hire/charter costs		482 200		429 400	Lower contracted costs for the period from November 1996 to June 1997 and actual lower flying hours.	36
Aviation fuel and lubricants		339 500		207 600	Lower number of flying hours.	37
Positioning/depositioning costs		5 000		—		38
Painting/preparation		2 000		—		39
Resupply flights		—		—		
Liability and war-risk insurance		—		1 000		40
(c) Aircrew subsistence allowance		58 800		8 900	Discontinuation of reimbursement of subsistence allowance for overnight trips as of September 1996.	41

Description	Apportionment: Number of units	Apportionment: Unit/daily/monthly/annual cost (United States dollars)	Actual: Number of units	Actual: Unit/daily/monthly/annual cost (United States dollars)	Explanation	Supplementary explanation (para. numbers in sect. B)
(d) *Other air operation costs*						
Air traffic control services and equipment		—		—		
Landing fees and ground handling		44 400		39 200		42
Fuel storage and containers		—		—		
7. Naval operations		—		—		
8. Communications						
(a) *Complementary communications*						
Communications equipment		166 200		242 600	Requirement for the connection between UNIKOM headquarters and patrol observation bases.	44
Spare parts and supplies		131 000		106 800	Cancellation of a planned purchase of some parts.	45
Workshop and test equipment		57 000		52 800		46
Commercial communications		253 600		180 700	No installation of the satellite link between Kheitan and UNIKOM headquarters.	47
(b) *Main trunking contact*		—		—		
9. Other equipment						
Office furniture		24 400		9 400	Economy measures.	48
Office equipment		18 000		12 800	Economy measures.	49
Data-processing equipment		60 000		78 800	Correction in IMIS.	50
Generators		—		—		
Observation equipment		47 000		5 800	Administrative delay in the procurement process.	51
Petrol tank plus metering equipment		—		—		
Water and septic tanks		60 000		—	Cancellation of the project.	52
Medical and dental equipment		40 700		4 400	Postponement of the planned purchase.	53
Accommodation equipment		45 000		1 500	Economy measures.	54
Refrigeration equipment		2 000		1 700		55
Miscellaneous equipment		48 000		51 700	Additional purchase of equipment.	56
Field defence equipment		—		—		
Spare parts, repairs and maintenance		250 000		149 400	Non-implementation of projects planned under alteration and renovation of premises.	57
Water-purification equipment		50 000		202 600	Implementation of unplanned project.	58

Description	Apportionment: Number of units	Apportionment: Unit/daily/monthly/annual cost (United States dollars)	Actual: Number of units	Actual: Unit/daily/monthly/annual cost (United States dollars)	Explanation	Supplementary explanation (para. numbers in sect. B)
10. Supplies and services						
(a) Miscellaneous services						
Audit services		183 400		183 400		59
Contractual services		649 100		370 700	Lower monthly contract cost.	60
Data-processing services		—		—		
Security services		—		—		
Medical treatment and services		18 000		100	Fewer than anticipated medical cases.	61
Claims and adjustments		70 000		—	No claims settled.	62
Official hospitality		15 000		1 900	Restricted amount of hospitality offered.	63
Miscellaneous other services		80 000		23 400	Reduced requirements.	64
(b) Miscellaneous supplies						
Stationery and office supplies		80 000		75 300	Lower consumption.	65
Medical supplies		45 000		20 000	Provision of supplies free of charge by the Government of Kuwait.	66
Sanitation and cleaning materials		50 000		44 300	Lower consumption	67
Subscriptions		20 000		24 900	Increased cost of subscriptions.	68
Electrical supplies		100 000		104 900	Additional requirements.	69
Ballistic-protective blankets for vehicles		—		—		
Uniforms items, flags and decals		80 000		34 100	Economic measures.	70
Field defence stores		56 000		25 100	Lower requirement.	71
Operational maps		5 000		4 500	Lower requirement.	72
Quartermaster and general stores		130 000		123 800	Lower requirement offset by correction in IMIS.	73
11. Election-related supplies and services		—		—		
12. Public information programmes		—		—		
13. Training programmes		—		—		
14. Mine-clearing programmes						
(a) Acquisition of equipment		—		—		
(b) Supplies, services and operating costs						
Wages and food supplement		—		—		
Miscellaneous services		—		—		
Miscellaneous supplies		65 000		—	No requirement.	77

Description	Apportionment: Number of units	Apportionment: Unit/daily/monthly/annual cost (United States dollars)	Actual: Number of units	Actual: Unit/daily/monthly/annual cost (United States dollars)	Explanation	Supplementary explanation (para. numbers in sect. B)
15. Assistance for disarmament and demobilization		—		—		
16. Air and surface freight						
Transport of contingent-owned equipment		—		—		
Military airlifts		—		—		
Commercial freight and cartage		100 000		95 500		79
17. United Nations Logistics Base, Brindisi		—		408 500	Ad hoc financing.	80
18. Support account for peacekeeping operations		1 396 500		1 396 500	No change.	
19. Staff assessment						
Staff assessment, international staff		1 069 700		876 300		82
Staff assessment, local staff		1 001 200		819 700		82
20. Income from staff assessment		(2 070 900)		(1 696 000)		83
21. Voluntary contributions in kind (budgeted)		—		—		
Gross requirements		52 141 900		48 014 300		
Net requirements		50 071 000		46 318 300		
22. Voluntary contributions in kind (non-budgeted)		—		—		
Total resources		50 071 000		46 318 300		

B. Supplementary explanation

	Variances (United States dollars)
1. Military personnel costs	
(a) Military observers	570 300

1. *Mission subsistence allowance*. The cost estimate was based on $90 per day in the demilitarized zone, $75 per day in Kuwait City and $125 per day in Baghdad. The apportionment of resources was based on the phased reduction of military observers from 228 in July 1996 to 195 in April 1997. The actual phased reduction is shown in table 1 below. Unutilized resources of $445,300 occurred owing in part to the non-payment of mission subsistence allowance to military observers in respect of days for which they did not accrue mission subsistence allowance paid leave or compensatory time off. The reduction in the mission subsistence allowance rate applicable to Baghdad, from $125 to $100 effective 15 October 1996, also contributed to the lower expenditures recorded.

Table 1 **Phasing out of military observers**

Date	*Number of military observers*
31 July 1996	220
31 August	213
30 September	215
31 October	205
30 November	203
31 December	197
31 January 1997	195
28 February	197
31 March	203
30 April	191
31 May	195
30 June	197

2. *Travel costs*. The apportionment of resources was based on the round-trip travel of 195 military observers at $4,000 per round trip and $2,000 per one-way trip for the phased reduction of 50 military observers. The unutilized balance of $157,000 was due in part to the lower than estimated number of trips undertaken by military observers and to lower actual costs of travel. During the reporting period, 199 trips were undertaken for emplacement travel and 223 for repatriation travel. The limited utilization by military observers of their full entitlement to 100 kilograms of accompanied excess baggage also contributed to the unutilized balance. Additionally, an amount of $33,000 pertaining to expenditures for the financial period ending 30 June 1996 was recorded after the closing of the June 1996 accounts. Therefore, unutilized resources amounted to $124,000, taking into account this prior period adjustment.

3. *Clothing and equipment allowance*. During the period, 122 military observers received the full entitlement of $200 and 159 observers received $100 each, resulting in an unutilized balance of $1,000.

(b) Military contingents 572 400

4. *Standard troop cost reimbursement*. No change.

5. *Welfare*. The additional requirement of $40,500 was due to the cost of postage, for which no budgetary provision had been made.

6. *Rations*. The apportionment of resources was based on the cost of $7.45 per troop per day, consisting of rations ($5.95) and bottled water ($1.50), and $1.50 per person per day for bottled water for military observers and international staff with a 0.5 per cent overlap factor. The unutilized balance of $256,700 was due to the lower than estimated number of meals consumed.

7. *Daily allowance*. The unutilized balance of $17,600 was due to the non-payment of daily allowance during periods when military personnel were on recreational leave.

8. *Emplacement, rotation and repatriation of troops*. The amount apportioned for the reporting period provided for the round-trip rotation travel of 775 infantry personnel and 129 support personnel at $1,400 per person. However, the charter contract for the rotation of the largest contingent of UNIKOM was significantly lower than estimated, resulting in unutilized resources of $339,600. Additionally, an amount of $1,000 pertaining to the financial period ending 30 June 1996 was recorded after the closing of the June 1996 accounts. Therefore, unutilized resources totalled $338,600, taking into account this prior period adjustment.

(c) Other costs pertaining to military personnel . . . . . —

(i) Contingent-owned equipment . . . . . —

9. No change.

(ii) Death and disability compensation . . . . . —

10. The amount allocated under this heading has been fully obligated to cover potential claims from death, disability or injury of military personnel.

2. Civilian personnel costs

(a) Civilian police . . . . . —

11. No provision was made under this heading.

(b) International and local staff 1 440 000

12. The apportionment of resources was based on a total strength of 241 civilian staff (13 Professional, 39 Field Service, 19 General Service and 170 Local staff) and application of a vacancy rate of 5 per cent for both international and local staff. As shown in annex IV, the actual average vacancy rates for civilian staff throughout the period was some 20 per cent for international staff and 18 per cent for local staff.

13. *International staff salaries*. Provision was made for a total of 71 international staff (13 Professional, 39 Field Service and 19 General Service), with the application of 5 per cent vacancy factor. For reasons explained in paragraph 12, there is an unutilized balance of $192,700.

14. *Local staff salaries*. The unutilized balance of $649,100 is explained in paragraph 12.

15. *Consultants*. No provision was made under this heading.

16. *Overtime*. No provision was made under this heading.

17. *General temporary assistance*. No provision was made under this heading.

18. *Common staff costs*. Unutilized resources of $205,676 were due to the reasons explained in paragraph 12. Additionally, an amount of $1,776 pertaining to expenditures for the financial period ending 30 June 1996 was recorded after the closing of the June 1996 accounts. Therefore unutilized resources amounted to $203,900, taking into account this prior period adjustment.

19. *Mission subsistence allowance*. The reasons for the unutilized balance of $398,200 are explained in paragraph 12. Moreover, no payment was made to staff members while on home leave and family visit travel since the allowance is not payable while a staff member is on such leave.

20. *Other travel costs*. Actual expenditures were higher than anticipated, resulting in additional requirements of $3,900. Actual travel undertaken during the period comprised travel by two auditors to UNIKOM; travel by headquarters personnel for contingent-owned equipment briefing; regional travels undertaken by Headquarters personnel; and travel by UNIKOM staff to a chief administrative officer meeting in New York.

(c) International contractual personnel . . . . . —

(d) United Nations Volunteers . . . . . —

(e) Government-provided personnel . . . . . —

(f) Civilian electoral observers . . . . . —

21. No provision was made under these headings.

3. Premises/accommodation 357 800

22. *Alteration and renovation of premises*. Following a thorough review of project priorities, planned office renovation and alterations of UNIKOM headquarters were reduced in scope and the upgrading of facilities at UNIKOM headquarters was cancelled, resulting in unutilized resources of $134,900. Expenditures of $165,100 were incurred for the most part for repair of stairs of the observation posts, sewage treatments, tools and maintenance of the building management workshop.

23. *Maintenance supplies*. Additional requirements of $18,500 were due to increased procurement of maintenance supplies to repair UNIKOM's ageing 29 camp facilities, which range from 6-man to 1,000-man camps.

24. *Maintenance services*. Provision was made for minor repairs and for the UNIKOM share of the cost of repairs, maintenance and other common services for the liaison office in Baghdad. Additional requirements of $6,500 were due to the construction of a new observation post (N2) and an unforeseen requirement to contract septic cleaning services for this remotely located site in Iraq.

25. *Utilities*. Provision was made for electricity, water and water delivery by a private contractor at an average monthly total cost of $17,300. The actual monthly average cost during the reporting period was $13,900, resulting in an unutilized balance of $30,900.

26. *Construction/prefabricated buildings*. Following a thorough review of project priorities, the construction of water storage tanks, the acquisition of one ablution trailer and one accommodation trailer for Camp Charlie were cancelled. The acquisition of one accommodation trailer for Camp Sierra was also cancelled. Expenditures of $109,000 were, however, incurred for the installation of sun shades at each of the 18 observation posts to protect water tanks and vehicles from the harsh and damaging effects of the summer sun, which exceeds 60°C. These resulted in unutilized resources of $217,000.

4. Infrastructure repairs 17 900

27. *Upgrading of roads*. Unutilized resources of $17,900 were due to the decision to upgrade field roads without paving them as originally planned.

5. Transport operations 397 800

28. *Purchase of vehicles*. The apportionment of resources was based on the assumption that eight land cruisers would be replaced and two fuel trucks would be transferred from the United Nations Logistics Base at Brindisi to UNIKOM. Instead, four 4 x 4 sedans were purchased at a cost of $66,000, resulting in an unutilized balance of $148,000.

29. *Workshop equipment*. The unutilized balance of $3,616 was due to the lower than estimated cost of procuring workshop equipment. Additionally, an amount of $916 pertaining to expenditures for the period ending 30 June 1996 was recorded after the closing of the June 1996 accounts. Therefore, unutilized resources amounted to $2,700, taking into account this prior period adjustment.

30. *Spare parts, repairs and maintenance*. Unutilized resources of $278,100 were due for the most part to administrative delays in the processing of requisitions for spare parts. Additionally, an amount of $154,300 pertaining to expenditures for the period ending 30 June 1996 was recorded after the closing of the June 1996 accounts. Therefore, unutilized resources amounted to $123,800, taking into account these prior period adjustments.

31. *Petrol, oil and lubricants*. While the estimate was based on the rate of $0.22 per litre ($0.82 per gallon), the actual rate was $0.13 per litre ($0.50 per gallon). Actual expenditures were lower than the apportioned amount, as shown in table 2. Additionally, an amount of $160,000 pertaining to expenditures for the period ending 30 June 1996 recorded after the closing of the June 1996 accounts. Therefore, unutilized resources amounted to $112,700, taking into account this prior period adjustment.

Table 2 **Petrol, oil and lubricants**

	Number of vehicles	*Costs ($)*	*Number of vehicles*	*Costs ($)*
	Estimate		*Actual*	
United Nations-owned vehicles	256	352 700	260	227 315
Light contingent-owned vehicles	115	158 400	119	120 973
United Nations-owned engineering equipment	11	27 100	11	14 500
Contingent-owned armoured vehicles	32	78 700	32	22 800
Total	**414**	**616 900**	**422**	**385 588**
Oil and lubricants		61 700		50 099
Fuel for generators		72 000		42 213
Grand total		**750 600**		**477 900**

32. *Vehicle insurance*. The actual insurance premium was lower than estimated, resulting in unutilized resources of $10,600.

6. Air operations 38 500

(a) Helicopter operations . . . . . (207 300)

33. *Hire/charter costs*. The additional requirement of $218,300 was due to the increased hourly rate on renewal of the letter-of-assist arrangement for the provision of two helicopters to UNIKOM with effect from 14 September 1996. The estimate was based on the rate of $818 per flying hour for a maximum of

180 hours per month. The rate was applicable for only two and a half months (1 July-14 September 1996), while the higher rate of $949.70 per flying hour was applicable for the remaining nine and a half months of the financial period. A comparison of estimated and actual hours flown by the two helicopters is shown in table 3.

Table 3 **Two Bell 212**

	Hours flown	
Month	*Estimated*	*Actual*
July 1996	180	168.87
August	180	175.91
September	180	155.71
October	180	126.29
November	180	202.75
December	180	221.67
January 1997	180	151.95
February	180	190.97
March	180	208.83
April	180	207.22
May	180	156.62
June	180	159.29
Total	**2 160**	**2 124.08**

34. *Aviation fuel and lubricants*. The unutilized balance of $11,400 was attributable to the slightly lower than estimated number of flying hours, as shown in table 3.

35. *Liability and war-risk insurance*. The insurance cost was slightly higher than estimated, resulting in additional requirements of $400.

(b) Fixed-wing aircraft 190 700

36. *Hire/charter costs*. Provision was made for the rental of one aircraft (AN-26 B), which would fly 100 hours per month at a rate of $28,540 per month for the first 60 hours and at a rate of $180 per hour thereafter for 40 hours, with a maximum total monthly cost of $35,740. The new contract effective in November 1996 was for a total of 85 flying hours per month at a rate of $29,146 per month for the first 55 hours and $25 per hour thereafter for 30 hours. The expenditures include positioning/depositioning costs in the amount of $5,000. The total unutilized resources of $140,861 were due to lower costs for the eight-month period from November 1996 to June 1997, and lower than estimated flying hours as shown in table 4. However, an amount of $88,061 pertaining to expenditures for the period ending 30 June 1996 was recorded after the closing of the June 1996 accounts. Therefore, unutilized resources amounted to $52,800, taking into account this prior period adjustment.

Table 4 **AN-24**

Month	Hours flown	
	Estimated	*Actual*
July 1996	100	57.90
August	100	59.08
September	100	45.25
October	100	56.08
November	85	40.74
December	85	52.86
January 1997	85	48.32
February	85	51.99
March	85	55.00
April	85	57.00
May	85	55.00
June	85	65.00
Total	**1 080**	**644.22**

37. *Aviation fuel and lubricants*. The unutilized balance of $131,900 was due to the lower than estimated number of flying hours, as shown in table 4.

38. *Positioning/depositioning costs*. As indicated in paragraph 36, positioning/depositioning costs were included under hire/charter costs, resulting in unutilized resources of $5,000.

39. *Painting/preparation*. No expenditures were incurred under this heading, resulting in an unutilized balance of $2,000.

40. *Liability and war-risk insurance*. Expenditures of $1,000 were incurred for the UNIKOM share of the United Nations global master aviation liability policy, for which budgetary provision had not been made.

(c) Aircrew subsistence allowance 49 900

41. Provision in the amount of $58,800 was made to cover accommodation costs outside Kuwait for the seven-person aircrew at a rate of $70 per person per night for approximately 120 nights. Expenditures totalling $8,900 were incurred for a six-person crew for 5 nights in July ($2,100) and for a five-person crew for 19 nights from August through November 1996 ($6,800), after which payment of subsistence allowance to aircrew was discontinued. This resulted in unutilized resources of $49,900.

(d) Other air operation costs 5 200

42. *Landing fees and ground handling*. Provision was made for ground handling charges for one fixed-wing aircraft at a rate of $3,700 per aircraft per month. Landing fees were lower than estimated, resulting in unutilized resources of $5,200.

7. Naval operations . . . . . —

43. No provision was made under this heading.

8. Communications 24 900

(a) Complementary communications . . . . . (76 400)

44. *Communications equipment*. Total expenditures amounted to $242,600, including an amount of $640 pertaining to the period ending 30 June 1996, which was recorded after the closing of the June 1996 accounts. Owing to operational requirements, it was necessary to interconnect UNIKOM headquarters with the patrol observation posts via e-mail, which required the acquisition of microwave equipment and parts. This resulted in additional requirements of $76,400.

45. *Spare parts and supplies*. The unutilized balance of $24,200 was due to the non-acquisition of multiplexer parts. This requirement became redundant with the purchase of the additional microwave equipment for the electronic mail connection, as explained in paragraph 44.

46. *Workshop and test equipment*. Unutilized resources of $4,200 were due to the lower than estimated cost of these items.

47. *Commercial communications*. Of the apportioned amount of $253,600, total expenditures of $180,700 were incurred for INTELSAT charges ($100,600), telephone, long-distance ($48,300), telephone, local ($6,000), pouches/DHL ($25,200) and postage ($600). The unutilized balance of $72,900 was due to the fact that the planned Kheitan-UNIKOM headquarters satellite link was not installed.

(b) Main trunking contract . . . . . —

9. Other equipment 127 000

48. *Office furniture*. Unutilized resources of $15,000 were due to the minimum purchase of furniture as a result of economy measures implemented by UNIKOM. Expenditures totalling $9,400 were incurred for the purchase of 56 chairs, 20 desks, 14 computer work tables, 15 filing cabinets and 5 adjustable shelves.

49. *Office equipment*. Unutilized resources of $5,200 were due to restrictions imposed on the purchase of office equipment.

50. *Data-processing equipment*. Expenditures of $78,800 included an amount of $21,790 pertaining to expenditures for the period ending 30 June 1996 recorded after the closing of the June 1996 accounts. Therefore, additional resources amounted to $18,800, taking into account this prior period adjustment.

51. *Observation equipment*. The unutilized balance of $41,200 was due to the non-replacement of obsolete stock on hand owing to delays in the procurement process.

52. *Water and septic tanks*. The planned purchase of additional water tanks was cancelled owing to receipt of water bladders from the United Nations Logistics Base at Brindisi.

53. *Medical and dental equipment*. The unutilized balance of $36,300 was due to the postponement of planned purchases of medical equipment.

54. *Accommodation equipment*. The resources provided for the purchase of accommodation equipment were not fully utilized because of restrictions imposed on the purchase of equipment during the reporting period.

55. *Refrigeration equipment*. The actual cost incurred was slightly lower than estimated.

56. *Miscellaneous equipment*. Expenditures of $51,700 were incurred for the purchase of 2 air-conditioners, a shutter door, 120 fire extinguisher and fire blankets, charging alternator materials and 20 polaroid cameras, at higher than estimated costs, resulting in additional requirements of $3,700.

57. *Spare parts, repairs and maintenance*. The unutilized balance of $100,600 was due to the non-implementation of projects that had been planned under alteration and renovation of premises, as mentioned in paragraph 22.

58. *Water-purification equipment*. Additional requirements of $152,600 arose owing to the purchase of water-purification equipment. UNIKOM commenced implementation of a project to install water-purification

facilities, which is expected to be completed in April 1998, with a view to replacing the more costly bottled water supply programme with locally purified water of equivalent quality.

10. Supplies and services 545 100

(a) Miscellaneous services 436 000

59. *Audit services*. The amount allocated was fully obligated to cover the cost of the external audit conducted during the reporting period.

60. *Contractual services*. Contracts totalling $370,700 for support services, such as laundry services, barber services, tailor services, janitorial services, ground maintenance, pest control and garbage removal, were awarded to local companies in Kuwait and Iraq. The costs of these contracts were lower than estimated, resulting in unutilized resources of $278,400.

61. *Medical and dental services*. The unutilized balance of $17,900 was due to the lower than anticipated medical and dental treatments required.

62. *Claims and adjustments*. The apportioned amount of $70,000 was not required.

63. *Official hospitality*. Owing to the limited amount of hospitality offered during the period, unutilized resources in the amount of $13,100 resulted.

64. *Miscellaneous other services*. The unutilized balance of $56,600 was due to non-utilization of resources provided for legal services, as well as for the cleaning and restoration of water storage tanks.

(b) Miscellaneous supplies 109 100

65. *Stationery and office supplies*. The unutilized balance of $4,700 was due to the lower consumption of reproduction materials and data-processing supplies.

66. *Medical supplies*. In anticipation of the possible discontinuance of the provision of medical supplies from the Government of Kuwait, provision was made in the amount of $45,000. However, because of the continued provision of medical supplies free of charge by the Government of Kuwait, an unutilized balance of $25,000 resulted.

67. *Sanitation and cleaning materials*. Provision was made based on an estimated cost of $4,200 per month for sectors and patrol observation posts in the demilitarized zone, for facilities and a warehouse in Kheitan, for transport workshop facilities and the liaison office in Baghdad. Actual expenditures incurred were $3,700 per month, resulting in an unutilized balance of $5,700.

68. *Subscriptions*. The additional requirement of $4,900 was due to the cost of advertisements in Kuwaiti newspapers and news subscriptions.

69. *Electrical supplies*. Provision was made in the amount of $100,000 for the repair and maintenance of all electrical installations at UNIKOM headquarters, the support centre at Kheitan, sector and liaison offices and helicopter landing pads, and for exterior lighting around the perimeter fences for safety and security reasons. The additional requirement of $4,900 was due to the implementation of the water-purification project referred to in paragraph 58.

70. *Uniform items, flags and decals*. The unutilized balance of $45,900 was due to the limited acquisition of these items during the reporting period.

71. *Field defence stores*. The unutilized balance of $30,900 was due to the lower than projected requirements for concertina wire, pickets and sandbags.

72. *Operational maps*. The unutilized balance of $500 was due to the lower than estimated cost of maps.

73. *Quartermaster and general stores*. Unutilized resources of $77,602 were due to the lower than estimated requirements for kitchen utensils, packaging supplies and other general stores. Additionally, an amount of $71,402 pertaining to expenditures for the financial period ending 30 June 1996 was recorded after the

closing of the June 1996 accounts. Therefore, unutilized resources amounted to $6,200, taking into account this prior period adjustment.

11. Election-related supplies and services . . . . . —

74. No provision was made under this heading.

12. Public information programmes . . . . . —

75. No provision was made under this heading.

13. Training programmes . . . . . —

76. No provision was made under this heading.

14. Mine-clearing programmes 65 000

77. No expenditures were incurred under this heading, resulting in an unutilized balance of $65,000.

15. Assistance for disarmament and demobilization . . . . . —

78. No provision was made under this heading.

16. Air and surface freight 4 500

79. The cost for freight was lower than estimated, resulting in an unutilized balance of $29,500. Additionally, an amount of $25,000 pertaining to the period ending 30 June 1996 was recorded after the closing of the June 1996 accounts. The unutilized balance thus amounted to $4,500.

17. United Nations Logistics Base, Brindisi . . . . . —

80. Pursuant to paragraph 3 of General Assembly resolution 52/1 of 15 October 1997, an amount of $408,500, representing the ad hoc prorated share of UNIKOM in the financing of the United Nations Logistics Base at Brindisi was provided during the period.

18. Support account for peacekeeping operations . . . . . —

81. No change.

19. Staff assessment 374 900

82. Unutilized resources of $374,900 under this heading were due to the difference between the authorized posts and posts actually encumbered, as explained in paragraph 12.

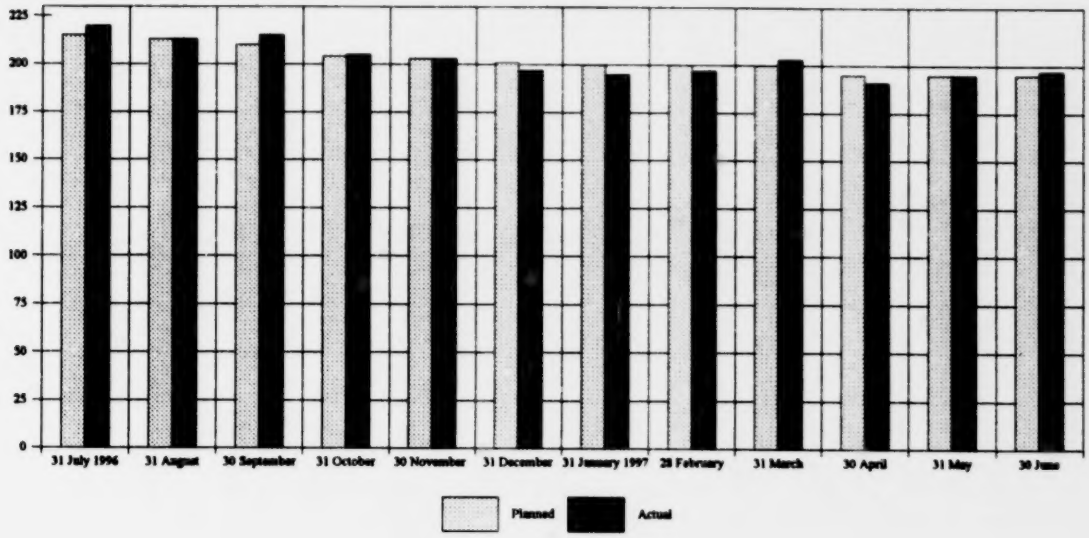
20. Income from staff assessment . . . . . (374 900)

83. This amount is derived from item 19.

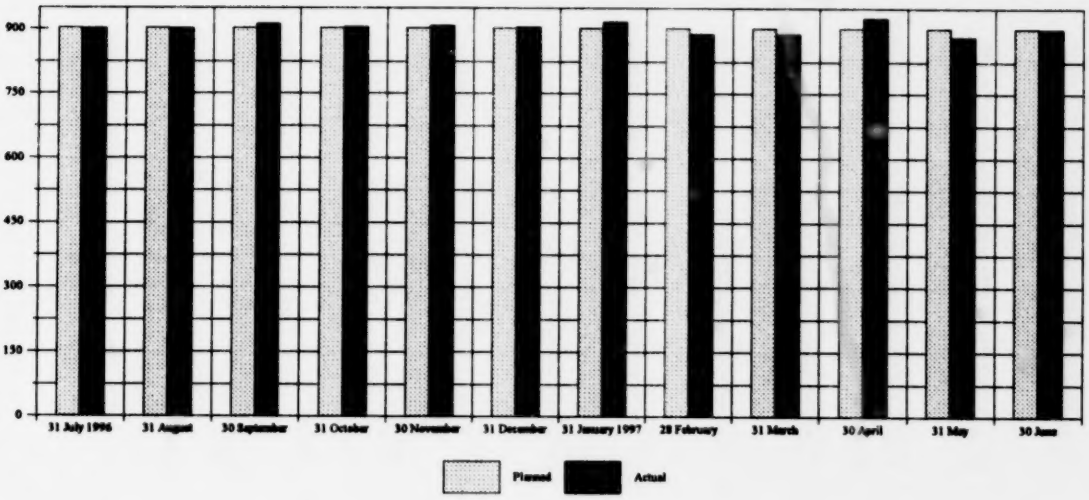
Annex III
Planned and actual deployment of civilian and military personnel for the period from 1 July 1996 to 30 June 1997

	Deployment as at											
	31 July 1996	*31 August*	*30 September*	*31 October*	*30 November*	*31 December*	*31 January 1997*	*28 February*	*31 March*	*30 April*	*31 May*	*30 June*
Military observers												
Planned	215	213	210	204	203	201	200	200	200	195	195	195
Actual	220	213	215	205	203	197	195	197	203	191	195	197
Difference	(5)	–	(5)	(1)	–	4	5	3	(3)	4	–	(2)
Military contingents												
Planned	904	904	904	904	904	904	904	904	904	904	904	904
Actual	902	902	912	906	909	906	918	891	891	928	883	902
Difference	2	2	(8)	(2)	(5)	(2)	(14)	13	13	(24)	21	2
Civilian police												
Planned	–	–	–	–	–	–	–	–	–	–	–	–
Actual	–	–	–	–	–	–	–	–	–	–	–	–
Difference	–	–	–	–	–	–	–	–	–	–	–	–
International staff												
Planned	71	71	71	71	71	71	71	71	71	71	71	71
Actual	65	64	62	63	60	59	52	52	53	54	53	52
Difference	6	7	9	8	11	12	19	19	18	17	18	19
Local staff												
Planned	170	170	170	170	170	170	170	170	170	170	170	170
Actual	141	139	138	138	126	126	136	142	142	145	146	149
Difference	29	31	32	32	44	44	34	28	28	25	24	21

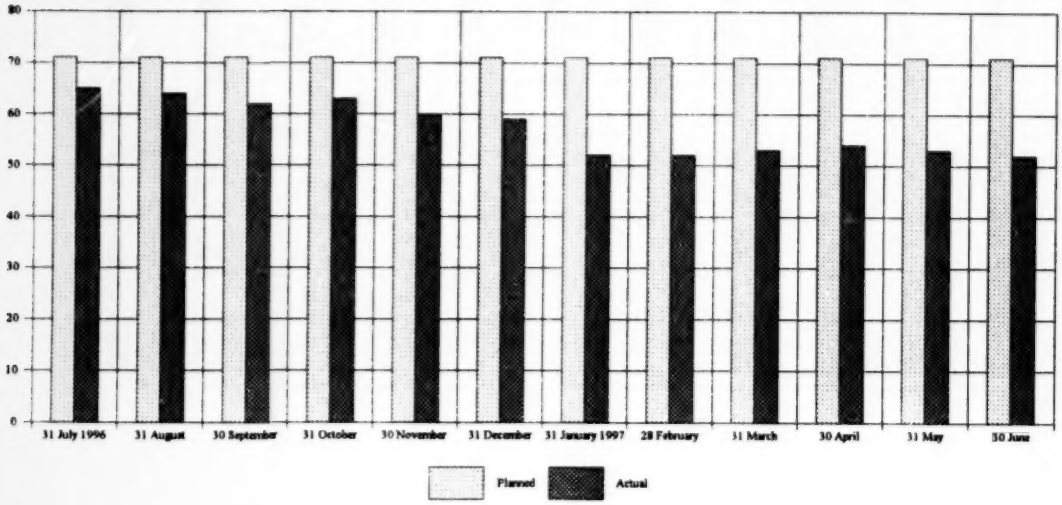
Military observers



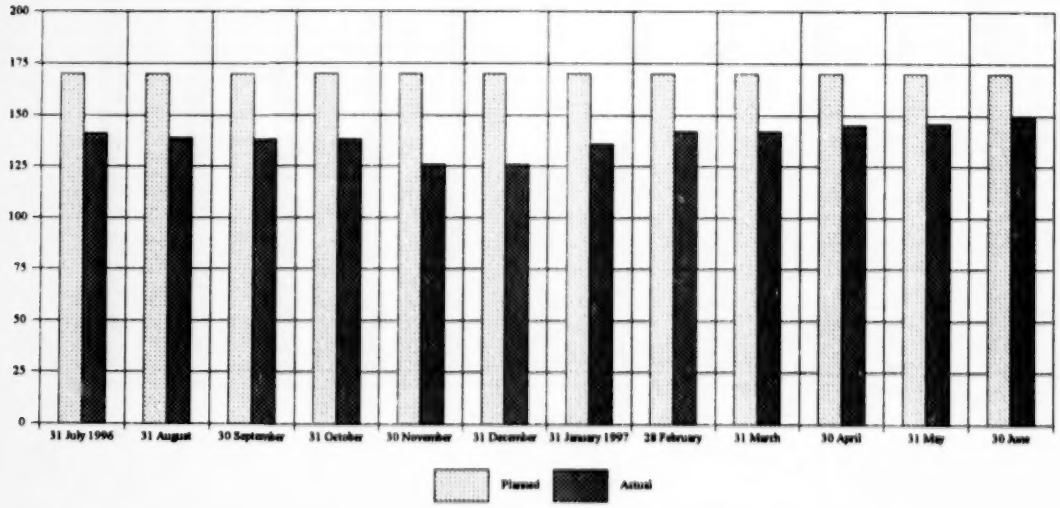
Military contingents



International staff



Local staff



Annex IV
Authorized staffing, incumbency and vacancy rates for the period from 1 July 1996 to 30 June 1997

Personnel category	Authorized as at June 1996	Actual staff on board: 31 July 1996	31 Aug.	30 Sept.	31 Oct.	30 Nov.	31 Dec.	31 Jan. 1997	28 Feb.	31 March	30 April	31 May	30 June	Average
Military personnel														
Military observers	255	220	213	215	205	203	197	195	197	203	191	195	197	203
Military contingents	910	902	902	912	906	909	906	918	891	891	928	883	902	904
Vacancy rate (percentage)		1	1	—	—	—	—	(1)	2	2	(2)	3	1	1
Total, military personnel	1 165	1 122	1 115	1 127	1 111	1 112	1 103	1 113	1 088	1 094	1 119	1 078	1 099	1 107
Civilian personnel														
Civilian police	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Vacancy rate (percentage)		—	—	—	—	—	—	—	—	—	—	—	—	—
International staff														
Under-Secretary-General	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Assistant Secretary-General	1	1	1	1	1	1	1	1	1	1	1	1	1	1
D-2	—	—	—	—	—	—	—	—	—	—	—	—	—	—
D-1	2	2	2	2	2	2	2	1	2	2	2	2	2	2
P-5	2	2	2	2	2	2	2	2	2	2	2	1	1	2
P-4	6	6	6	6	6	6	6	5	4	4	4	4	4	5
P-3	2	—	—	—	1	1	1	—	—	—	1	1	1	1
P-2	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Subtotal	13	11	11	11	12	12	12	9	9	9	10	9	9	10
Vacancy rate (percentage)		15	15	15	8	8	8	31	31	31	23	31	31	21
Field Service	39	36	36	34	33	30	31	27	27	28	29	29	29	31
General Service (Principal level)	2	2	2	2	2	2	2	2	2	2	2	2	2	2

Personnel category	Authorized as at June 1996	Actual staff on board: 31 July 1996	31 Aug.	30 Sept.	31 Oct.	30 Nov.	31 Dec.	31 Jan. 1997	28 Feb.	31 March	30 April	31 May	30 June	Average
General Service (Other level)	17	16	15	15	16	15	14	14	13	13	13	12	12	15
Security Service	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Subtotal	58	54	53	51	51	47	47	43	42	43	44	43	43	47
Vacancy rate (percentage)		7	9	12	12	19	19	26	28	26	24	26	26	12
Total, international staff	71	65	64	62	63	59	59	52	51	52	54	52	52	57
Vacancy rate (percentage)		8	10	13	11	17	17	27	28	27	24	27	27	20
Local staff	170	141	139	138	138	125	126	136	142	142	145	149	149	139
Vacancy rate (percentage)		17	18	19	19	26	26	20	16	16	15	12	12	18
United Nations Volunteers	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Vacancy rate (percentage)		—	—	—	—	—	—	—	—	—	—	—	—	—
Total, civilian personnel	241	206	203	200	201	184	185	188	193	194	199	201	201	196
Vacancy rate (percentage)		15	16	17	17	24	23	22	20	20	17	17	17	19